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SUBJECT: MEDIA REACTION: GLOBAL ECONOMY: US ACTION AGAINST CHINA AT
THE WTO; SAO PAULO

"Chinese Demand"

Center-right national circulation daily O Estado de S. Paulo (4/12) editorialized: "Brazil should root for a US victory in the action the USG filed against subsidies given to the Chinese industrial sector.... It is a matter of contesting, based on international rules, subsidies given by the Chinese government both to industrial goods production and exports. If it participates in the action as a third interested party, Brazil will benefit as much as the US from the probable condemnation of such Chinese practices.... There is a strong reaction in all Western markets against the invasion of manufactured products coming from China. Chinese industrial competitiveness results not only from cheap manpower, but also from China's undervalued currency and an enormous variety of fiscal incentives.... China currently faces several actions at the WTO and they continue to increase.... Washington has just initiated two additional complaints against China. In one of them, the Chinese government has been accused of lacking IPR enforcement. Products illegally copied in China have been sold throughout the world. Brazil is one of the countries most affected by such trade. Seventy-five percent of pirated products sold in Brazil come from Asia, mainly from China. The other complaint interests particularly the US and probably the European Union. It is about Chinese barriers against imported films, discs, books and software. In view of so many accusations of unfair trade practices and leniency towards piracy, Chinese officials are looking for allies among emerging nations. Brazilian officials finally should have realized, although with a significant delay, the enormous mistake they made when they recognized China as a market economy."
McMullen